Oncology Venture A/S

(formerly Medical Prognosis Institute A/S)
Venlighedsvej 1, DK-2970 Hoersholm
CVR no. DK 28 10 63 51

Interim report for the period January 1, 2018 –June 30, 2018

Contents

Please note with regards to use of company names in this report

Medical Prognosis Institute A/S, reg no. DK 28 10 63 51.
On August 21, 2018 the company name was changed to Oncology Venture A/S with effect from May 30, 2018.

Oncology Venture Sweden AB, reg.no. 559016-3290.
On August 31 the company will be de-listed from Spotlight Stock Market (former Aktietorget).

Oncology Venture A/S and Oncology Venture Sweden AB merged.
as of August 21, 2018 as Oncology Venture A/S reg no. DK 28 10 63 51 listed on Nasdaq First North Stockholm.

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board provide their assurance that the interim report provides a fair and true overview of the Parent Company's and the Group's operations, financial position and results, and describes material risks and uncertainties faced by the parent Company and the companies in the Group.

Hoersholm, August 31, 2018

Executive Board

Peter Buhl Jensen

Board of Directors

Frank Knudsen Chairman	Magnus Persson	Peter Buhl Jensen
Steen Meier Knudsen	Niels Johansen	

CONSOLIDATED KEY RATIOS

Key figures

Amounts in DKK '000	H1 2018	H1 2017	Year 2017
Profit/loss			
Revenue	1,596	3,060	5,145
Profit/loss before depreciation (EBITDA) *	-6,355	-16,082	-23,794
Operating profit/loss before net financials	-6,382	-16,109	-23,848
Net financials	8,781	-4,373	-7,132
Net profit/loss for the period	3,649	-19,419	-30,390
Balance sheet			
Balance sheet total	20,856	21,241	12,985
Equity	7,198	4,911	2,445
Cash flows			
Cash flows from:			
Operating activities	-6,888	-2,689	-8,345
Investing activities	5,745	-784	-794
Financing activities	177	77	7,180

Ratios

Profit margin	-400%	-526%	-463%
Return on assets	-31%	-76%	-188%
Solvency ratio	35%	23%	19%
EPS	0.15	-0.82	-1.27
EPS, diluted	0.13	-0.82	-1.27

For financials of the merged company, see under Financial Review p 15.

For definitions, see under accounting policies in annual report 2017.

* It is IFRS requirement to recognize the Black-Scholes value of share-based payments as staff expense over the vesting period. The share-based payment (H1 2018: DKK 0.9 million and H1 2017: DKK 13 million) has accounting effect but have no cash outflow for the company.

Share based payment is a common tool in biotech companies as a remuneration tool to attract and maintain key personnel.

HIGHLIGHTS DURING H1 2018

- ✓ On June 28, MPI and Oncology Venture announced that the Office of Orphan Products Development at the FDA has transferred the Dovitinib Orphan drug designation for the treatment of adenoid cystic carcinoma to Oncology Venture from Novartis Pharma AG.

- ✓ On June 26, MPI and Oncology Venture US Inc. (former 2X Oncology Inc.) announced dosing of the first patient in a Phase 2, clinical study to investigate the anti-tumor effect and tolerability of 2X-121 in patients with metastatic breast cancer.

- ✓ On June 1, MPI announced that clinical data on PARP inhibitor 2X-121 and DRP response prediction validation is to be presented on the world's largest cancer congress ASCO 2018.

- ✓ On May 31, announced that Jørgen Bardenfleth, in connection with the approved merger, have decided to make his position in the Board of Directors available.

- ✓ On May 31, MPI announced that The Company has sold its holdings in Oncology Venture. As part of the merger, the combined company is not allowed to hold own shares and hence The Company has capitalized the shareholding. In total, MPI has sold 1,168,538 shares (of 8.45 percent) in Oncology Venture, which provides the company a total of approximately SEK 18.1 million. The transactions were done off market with thirteen parties at an average share price of SEK 15.73.

- ✓ On May 30 an Extraordinary General Meeting in MPI was held. In accordance with the proposal from the Board of Directors, the general meeting approved The Company's merger with Oncology Venture Sweden AB (publ) with MPI as the continuing entity and Oncology Venture Sweden AB (publ) as the discontinuing entity as further described in the joint merger plan signed by the boards of directors of the Company and Oncology Venture Sweden AB (publ) respectively. A summary of the decisions taken on the EGM is available on The Company's website.

- ✓ On May 1, MPI published a prospectus regarding the planned merger between MPI and Oncology Venture. The prospectus is available via MPI's website (www.medical-prognosis.com).

- ✓ On April 30, MPI and Oncology Venture jointly published the complete merger plan related to the planned merger of the two companies. The complete merger plan is available on Oncology Venture's (www.oncologyventure.com) and MPI's (www.medical-prognosis.com) respective websites.

- ✓ On April 24, the Annual General Meeting in MPI was held. A summary of the decisions taken on the AGM is available on The Company's website.

- ✓ On April 19, MPI announced that, as a consequence of an exercise of 340,000 warrants, the share capital in The Company will increase by nominal DKK 17.000,00 and the number of shares will increase by 340,000. 300,000 of the warrants were exercised by MPI's CEO Peter Buhl Jensen.

- ✓ On April 9, MPI announced that Oncology Venture has entered into an agreement with Novartis Pharma AG (Basel, Switzerland) for the exclusive global rights to develop and commercialize dovitinib (TKI258), a small molecule, multi- tyrosine kinase inhibitor (TKI).

- ✓ On March 27, MPI and Oncology Venture announced that Claus Frisenberg Pedersen, CCO and CFO in Oncology Venture, has bought 3 700 shares in Oncology Venture at a price of 18,36 SEK per share and 6 300 shares in MPI at a price of 10,816 SEK per share.

- ✓ On March 23, MPI published The Company's annual report for 2017.

- ✓ On March 22, MPI and Oncology Venture announced positive study results for the diagnostic tool DRP® in lung cancer patients treated with cisplatin. The findings have been published in the scientific journal PLOS ONE under the title "Molecular Prediction of adjuvant cisplatin efficacy in Non-small cell lung cancer - validation in two independent cohorts."

- ✓ On March 13, MPI published selected financial information for the period 1 July 2017 - 31 December 2017 due to the proposed merger between MPI and Oncology Venture.

- ✓ On March 9, MPI and Oncology Venture jointly announced that their respective Boards of Directors have agreed on a joint merger plan to accomplish a merger of the companies. Combining these two highly complementary businesses will result in a leading integrated oncology biotechnology company with a promising anticancer drug pipeline resting on a proprietary patient screening technology to predict drug response.

- ✓ On January 31, MPI's spinout Oncology Venture announced positive interim results from a Phase 1/2 DRP guided study of LiPlaCis in heavily pretreated breast cancer patients.

- ✓ On January 15, MPI and its spinout Oncology Venture announced that Oncology Venture has decided to execute a phase 3 TKI license which has already been negotiated. As previously announced to the market on December, a consistent result was found in the study of data from renal cancer patients' biopsies in the TKI product from Big Pharma. Based on this, the Company's goal is to develop the drug and it's DRP to commercial success.

HIGHLIGHTS AFTER THE PERIOD

- ✓ On August 31, it was announced that Oncology Venture A/S establish a loan facility of up to SEK 40 million

- ✓ On August 27, it was announced that US FDA approves Oncology Venture's IDE and IND for a clinical trial in ovarian cancer patients with its PARP inhibitor and biomarker 2X-121 DRP.

- ✓ On August 23, registration of Merger between MPI and OV, de-listing of Oncology Venture from Spotlight Stock Market, last of trading and record date for the merger was announced.

- ✓ On August 14, MPI and Oncology venture announced the publishing of a new study on cornerstone drug epirubicin in "Breast Cancer Research and Treatment".

- ✓ On the July 2, MPI and Oncology Venture published a Clinical and Business Update.

CEO LETTER

During the first half year of 2018 transformative milestones were reached.

- Publication of prospective clinical trial results with our LiPlaCis® for breast cancer proved the capacity of our Drug Response Prediction® technology to Track Match and Treat patients. Matching cancer drug with sensitive patients and thereby leading to significant increase in time to progression of disease (TTP): 25 weeks on LiPlaCis versus 14,5 weeks on doctor's previous choice of treatment positions LiPlaCis as an important precision medicine option for cancer patients with a high medical need.
- The DRP® has for the first time been discussed with regulatory authorities – two highly constructive interactions with the FDA and DKMA. Oncology Venture had a Scientific meeting with the Danish Health Authorities (DKMA) for LiPlaCis and we just received approvals from our IND (Investigational New Drug) and IDE (Investigational Device Exemption) applications from the Food and Drug Administration (FDA) for our PARP inhibitor to run trials in Ovarian cancer.
- The merger between Oncology Venture and MPI enables the Company – now named Oncology Venture – the full DRP® value is now in one company to create better treatments to patients, better guidance to doctors. The merged Oncology Venture will be traded on Nasdaq First North in Stockholm from September 1st, 2018.
- I want to thank the patients, their relatives and the doctors who have believed in our technology and helped us creating proof of concept and at the same time thank our visionary investors for the financial support enabling us to do so.

Peter Buhl Jensen, MD, PhD, CEO of MPI

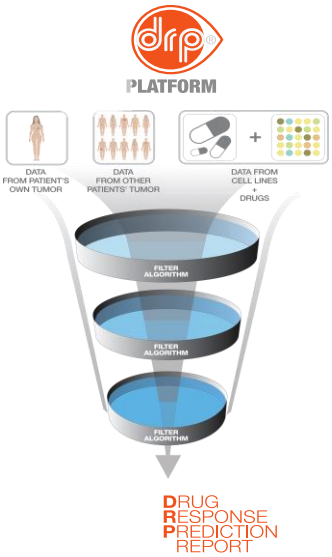
The merger of Oncology Venture Sweden AB and Medical Prognosis Institute A/S

Through the merger of Oncology Venture and MPI, we have created a research company within the field of so-called Precision Medicine, giving us the possibility to develop individualized drugs. The DRP® technology, developed by MPI, enables identification of patients with the greatest possibility to respond to drugs. Precision medicine has been pointed out to be a future area of drug development by several Big Pharma companies, which became evident by Roche's acquisition of Foundation Medicine during the first half of 2018 in a deal which valuated the acquired company at 5,3 billion dollars. Having its own drug candidates and the DRP® diagnostics tool, the merged company has all it takes to become successful within this very exciting field. One of the advantages of the merger is that the dependence of external companies will become smaller when both the DRP® technology predicting patient response, and the drug candidates are within the same company.

ABOUT ONCOLOGY VENTURE A/S (BEFORE MERGING)

Precision Medicine – Cancer is Individual

Many anti-cancer drugs are only beneficial to a small group of patients. Cancer patients are treated according to guidelines defined by experience on which treatment has shown to be the most effective. There is currently no way of identifying which patients will respond to a specific treatment. This forces oncologists to treat many patients without knowing if the treatment will have effect on the patient. If the number of patients responding to a drug is too low, the drug candidate will most likely not be used, even if it may in fact be well suited for certain patients.



The DRP® was invented by Professor Emeritus Steen Knudsen, who has a background within the mathematics of bioinformatics. The DRP® approach is finding the genomic "fingerprint" of each individual tumour. This fingerprint is determined based on sensitivity data from cancer cell lines. Big data from cancer patients' biopsies is used to remove clinically irrelevant signals, i.e. filtering/reducing the background noise. **The fingerprint makes it possible to predict whether a patient is likely to benefit from treatment with a certain drug**.

Drug Response Prediction (DRP ®)

The multi gene DRP® is used for drug development to select those patients who by the genetic signature of their cancer are found to have a high likelihood of responding to the drug. The goal is developing the drug for the right patients, and by screening patients before treatment the response rate can be significantly increased. The DRP® method builds on the comparison of sensitive vs. resistant human cancer cell lines, including genomic information from cell lines combined with clinical tumor biology and clinical correlates in a systems biology network. DRP® is based on messenger RNA from the patient's biopsies.
The DRP® platform, i.e. the DRP® and the PRP® tools, can be used in all cancer types and is patented for more than 70 anti-cancer drugs in the US. The PRP® is in development as a broadly applicable Personalized Medicine.

Patient Response Prediction (PRP ®)

The DRP® technology is the base of the development of Patient Response Prediction (PRP®). We believe that PRP® can become a powerful tool for a large group of cancer patients where other biomarkers are currently unavailable. PRP® is a business area for innovations within Personalized Medicine, focusing on future development of consumer products and services for informing, gathering and formulating personal treatments. The PRP™ technology makes it possible to assist patients and doctors by helping them determine which treatment is most suitable in each specific case. This will be of great value for patients as well as for the party bearing the treatment costs. MPI has established several co-operations with Danish academies and hospitals for evaluating PRP® in practise.

Group structure and shareholdings

Before merging with Oncology Venture Sweden AB Oncology Venture A/S was the parent company of a group which also includes the wholly owned US subsidiary, Medical Prognosis Institute Inc. The Company previously owned 10.74 % of the votes and capital in its spin-out company Oncology Venture Sweden AB.

The Merger of Oncology Venture A/S and Oncology Venture Sweden AB has been completed and the trading of the merged company's share on Nasdaq First North, Stockholm will commence September 1, 2018 under the name Oncology Venture A/S (OV:ST).

Shareholders

The table below presents shareholders with over 5 % of the votes and capital in the Medical Prognosis Institute on June 30, 2018.

Name	Number of shares	Percentage of voting right and capital (%)
UBS Switzerland AG-SPARNORD S.A.	7,669,308	31.1 %
Sass & Larsen Aps	4,824,002	19.6 %
Buhl Krone Holding Aps	2,777,505	11.3 %
BNYMSANV RE JYSKE Bank OWN Holdings ApS	1,279,158	5.2 %
Others	8,097,421	32.9%
	24,647,555	**100 %**

The share

The shares of Oncology Venture A/S were listed on Nasdaq Stockholm First North as Medical Prognosis Institute A/S on June 27, 2016. The short name/ticker was MPI.ST and the ISIN code DK0060732477. Per June 30, 2018, the number of shares was 24,647,555. The average number of shares in The Company in H1 2018 was 24,420,888. The Company has one class of shares. Every stock share equals the same rights to The Company´s assets and results.
As of August 21, 2018 at the registration of the merger the number of shares in the Company has been increased to 50,271,278 as described in the merger prospectus issued on May 1, 2018.
Trading in the share continues at Nasdaq First North Stockholm and from September 1, 2018 the short name/ticker is OV.ST and the ISIN code continues to be DK0060732477.

Warrants

As an incentive for the Board Members, employees and key persons Oncology Venture A/S has implemented a total of five Warrant programs (adopted as of July 3, 2012, December 18, 2013, December 17, 2014, February 18, 2016 and February 24, 2017) a total of 4,489,800 warrants. Each assigned warrant gives the beneficiary the right to subscribe for one new share in the Company against payment of 0.52 DKK. A prerequisite for the use of warrants is that the holder of the warrant has not ended his/her relationship with the Company. In the event, that the Company has terminated the relationship, without this being the option holder's negligence, the holder of the warrants remains entitled to use their warrants. As of now 1,140,540 warrants have been exercised for subscription of new shares in the Company leaving 3,349,040 outstanding. Outstanding warrants can be exercised until July 2021.

Operational risks and uncertainties

The risks and uncertainties that the Company are exposed to are related to factors such as drug development, competition, technology development, patents, regulatory requirements, capital requirements, currencies and interest rates. During the current period, no significant changes in risk factors or uncertainties have occurred. For more detailed description of risks and uncertainties, refer to the memorandum and prospectus published in June 2017. The documents are available on the Companys MPI website (www.medical-prognosis.com) which will continue to be operational for a relevant time period.

ONCOLOGY VENTURE SWEDEN AB

Development projects

Oncology Venture Sweden AB has a pipeline of 6 products where LiPlaCis, 2X-121 (PARP inhibitor) and Dovitinib are prioritized highest.

LiPlaCis

Cisplatin is one of the most effective anticancer drugs ever developed. Many new chemotherapy drugs have arrived on the scene over the past few decades, but cisplatin still finds wide use. Even when it is not the sole or primary drug given to the cancer patient, it can be a valuable part of a combination chemotherapy regimen.

LiPlaCis is a third-generation liposomal formulation of cisplatin enabling direct delivery of this known oncologic agent to cancerous sites. It combines this technology with a proven response predictor to cisplatin. LiPlaCis is initially being developed for metastatic breast cancer. We believe the product could have a place also in early breast cancer treatment as well, since adjuvant therapy still lacks efficacy with many patients dying of breast cancer in spite of early aggressive chemotherapy treatment.

LiPlaCis may also be useful in other cancers such as lung, head and neck, and prostate. We are working with Cadila Pharmaceuticals to expedite clinical trials with studies in India.

Detailed enrolment status

July 2018 a total of 21 patients have been included in the Phase 2 part of the study. 19 of these have been followed sufficiently long for evaluation of efficacy.

To be included in the study patients had to be in the best 2/3 group with regard to DRP score whereas the 1/3 of patients with lower DRP scores were not included in the study.

LiPlaCis efficacy given to patients with the highest likelihood of response (the top 1/3 with highest DRP scores) was compared to the patients with intermediate sensitivity (middle 1/3) patients. This demonstrated a clear benefit to the top 1/3 patients. Time to progression was 25 weeks in the top group compared to only 8 weeks in the middle 1/3. The difference was statistically significant and clearly demonstrates how the DRP can transform to clinical benefit.

Data from Top third DRP® level and excluding patients previously treated with platin drugs

- 7 of 7 heavily pre-treated patients, with a median of seven previous treatments, had clinical benefit (SD, long term SD or PR)
- Time to progression in the top third (10 patients, 3 not evaluable for response) was in median 25 weeks on LiPlaCis versus 14.5 weeks of their latest prior treatment (“Doctors prior Choice”)
- 5 of 7 patients experienced better response or longer effect duration (3 with PR and 1 SD+ 24 weeks and 1 SD 21 weeks) than all prior medical treatments against their advanced disease including combination- and hormone therapies.

All in all, 19 have finished treatment or are still on treatment but evaluable for response, whereof three had a Partial Remission (PR), three had long-term stable disease (>24 weeks) and four had Stable Disease (SD). Five had Progressive Disease (PD) and four patients are not evaluable for response, one for early renal toxicity and three due to early death – two deaths deemed unrelated to study drug by the Data Committee - One death was deemed possibly related to toxicity of LiPlaCis. This was a small patient and a safety change in the administration of LiPlaCis has been agreed with the authorities so that patients are now treated according to their size. The toxicity is

a known rare side effect of cisplatin and other chemotherapies and is expected to be prevented by the individually adapted dosing.

We continue to screen and enrol patients in this clinical trial and based on input from the DKMA we will expand the target cohort to approximately 30 patients.

PARP Inhibitor 2X-121:
PARP inhibitors have revolutionized the treatment of ovarian cancer and have proven highly effective against multiple cancer changes that are common in ovarian cancer. While PARP inhibitors can also effectively fight other cancer types, including breast cancer and prostate cancer, response rates in these diseases is not as high as in ovarian cancer.

The DRP® method is distinguished by its ability to analyze a large amount of complex data to identify the patients who can benefit from the drug. With our gene DRP method, we can look for the same significant cancer changes that enable PARPs to effectively combat ovarian cancer in e.g. breast cancer and treat those patients most likely to benefit. The DRP technology can translate between cancer types, look for similarities in biology, and predict benefit no matter the origin of the tumor.

This biology approach is a new wave of thinking and has led to approval of the first pan-oncologic product by the U.S. FDA: a completely different drug the immunotherapy Keytruda®, which is indicated for treatment of all cancer types that demonstrate a specific biochemistry. Our DRP method is different, but the road is being paved.

We are initially developing 2X-121 for metastatic breast cancer. Data from an earlier clinical trial of this novel tankyrase and PARP inhibitor were selected for an oral presentation at this year's largest cancer conference, ASCO.

We have in June initiated the breast cancer study and inclusion is ongoing succesfully in Denmark.

The US FDA have accepted Oncology Ventures Investigational Device Exemption (IDE) and its Investigational New drug application (IND) to begin a Phase 2 clinical trial in advances Ovarian cancer with 2X-121 using its DRP® to select patients with high likelihood of responding to the treatment.

Dovitinib
This very large program includes data from more than 2,500 patients. OV has commenced data mining using our DRP technology. Dovitinib has shown identical activity as sorafenib in a randomized phase 3 study in renal cancer and in a randomized phase 2 study in liver cancer. Sorafenib is the gold standard in liver cancer and also approved in renal cancer. Dovitinib has also shown activity in several Phase 2 studies in cancer types including lung, prostate, endometrial and thyroid cancers as well as GIST and acute myelocytic leukemias. Due to its complex mechanism of action, similar to PARP and cisplatin, development of dovitinib will benefit from use of the drug-specific DRP to better identify the patients who will benefit.

2X-111
2X-111 is a liposomal formulation technology that provides an excellent doxorubicin delivery method and in addition provides enhanced delivery of doxorubicin to the brain aimed for better treatment of metastatic cancer like breast cancer and primary brain tumors.

Based on the prospective validation of a consecutive cohort of breast cancer patients, the DRP is clearly able to identify patients benefitting from treatment with the product.

2X-111 is not only an anthracycline but also passes the blood brain barrier and has the potential to treat cancers in the brain. This is a very unusual opportunity. There is a robust manufacturing procedure in place, and we look forward to developing this product once contract negotiations on product manufacturing are in place.

Irofulven
Irofulven is a synthetically-improved natural product that exploits cancer cells' deficiency in DNA repair mechanisms, similar to PARPi products.
With this unique target we have very limited competition. We were allowed to include patients in a phase 2 study in DRP selected prostate cancer patients in December. There have been many competing studies in the prostate cancer field. In the mean time we have screened more than 70 patients and we are now first in line to initiate our study protocol and to dose the first. In previous studies, irofulven has demonstrated efficacy in ovarian, prostate and liver cancers conducted without the DRP. We look forward results of this first DRP-guided trial of the drug.

APO-010
Our immuno-oncology (IO) product APO-010 is in the Phase 1 part of a Phase 1/2 study in multiple myeloma (MM) patients. In MM, the tumor cells are only available by laboratory separation from other bone marrow cells. The APO-010 DRP result is influenced by the tumor cell collection procedure, which varies across hospitals. We are currently comparing these collection methods to get the right calibration. In the meantime, during the dose escalation Phase 1 part of the study, patients are enrolled and treated without a known DRP score.
The IO opportunity differs considerably from using APO-010 as a direct anticancer agent. The product may prove to be an interesting companion product with PD-1 products like Keytruda. Developed as an IO product, the DRP may not be necessary.

Oncology Venture Sweden AB financials
Oncology Venture Sweden AB will not present a separate interim report for the first half of 2018 as the company on August 21, 2018 formally merged with MPI. The first consolidated financial report for the merged company will be the Q3 report due end November 2018.

In the first half of 2018 Oncology Venture Sweden AB have had operating costs at approximately DKK 20 million which is the same level as in 2017. Within the Company's operating costs Oncology Venture Sweden AB has experienced a decrease in the costs of manufacturing of drugs, and a parallel increase in costs related to the running of clinical trials. This development is in line with Oncology Venture Sweden AB's expectations and strategy.

At the end of the period Oncology Venture Sweden AB Group had DKK 7.7 million in Cash and cash equivalents.

Auditor´s review
The half-year report has not been reviewed by The Company's auditor.

For further information, please contact
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Certified Advisor

Sedermera Fondkommission.

FINANCIAL REVIEW

Income statement H1 2018

Net sales amounted to 1,596 KDKK (previous year 3,060 KDKK). EBITDA amounted to -6,355 KDKK (previous year -16,082 KDKK). Profit margin amounted to -400% (previous year -526%). The improved margin is attributable to a reduced staff cost. Personnel expenses amounted to 3,603 KDKK (previous year 15,190 KDKK).

Profit before tax amounted to a loss of 2,399 KDKK (previous year a loss of -20,482 KDKK). This is mainly attributable to a profit on the divestment of the ownership stake in Oncology Venture Sweden AB, which amounted to DKK 10,796.

The company realized a net profit of 3,649 KDKK (last year a net loss of -19,419 KDKK). Net profit per share: 0.15 DKK (-0.82 DKK). Total number of shares as of June 30, 2018: 24,647,555.

Balance sheet

Total assets amounted to KSEK 20,856 (previous year 21,241 KDKK), which consisted largely of prepaid income and other receivables. The company's cash and bank accounts amounted to 2,385 KDKK (1,920 KDKK). Total liabilities amounted to 13,658 KDKK (previous year 16,330 KDKK) and consisted mainly of trade payables. The company's equity amounted to 7,198 KDKK (previous year 4,911 KDKK).

Cash and Cash equivalents and Receivables in the combined company June 30, 2018 amounted to MDKK 25.1.

Cash flows

The company's cash flow from operating activities amounted to -7,233 KDKK (previous year -2,624 DKK). The company's cash flow from financing activities amounted to 5,745 KDKK (previous year -794 KDKK).

Significant financial events during H1 2018

During the period, MPI has sold its holdings in Oncology Venture Sweden AB. In total, MPI has sold 1,168,538 in Oncology Venture, which provides MPI with a total of approximately SEK 18.1 million.

Subsequent events

MPI has entered into a loan facility with the aim to secure and continue the progress of MPI's highly attractive pipeline following the recent merger of MPI and Oncology Venture. If MPI were to exercise the full loan facility, MPI will have enough financing to fund its activities until summer 2019.
The financing is provided by Trention AB, a Swedish company, which specializes in financing solutions tailored to the requirements of small and mid-sized growth companies. The facility enables MPI to draw up to 4 tranches of SEK 10 million each. Unless otherwise agreed the loan will be due in full by August 1, 2019.

Financial Calendar

Q 3 report is planned to be published on November 30, 2018
Financial Calendar year ends on December 31, 2018.
Annual Report for 2018 is planned to be published on March 29, 2019.

Consolidated income statement and statement of comprehensive income

Note		H1 2018 DKK '000	H1 2017 DKK '000	Year 2017 DKK '000
4	**Revenue**	**1,596**	**3,060**	**5,145**
	Other operating income	2,399	2,835	3,908
	Other external expenses	-6,747	-6,787	-14,270
	Staff expenses, share-based payments	-546	-12,096	-12,975
	Staff expenses, other	-3,057	-3,094	-5,602
	Loss before depreciation (EBITDA)	**-6,355**	**-16,082**	**-23,794**
	Depreciation of property, plant and equipment	-27	-27	-54
	Operating loss before net financials	**-6,382**	**-16,109**	**-23,848**
	Share of profit of an associate	-1,283	-1,580	-4,141
	Dilution gain of an associate	0	3,190	3,185
	Gain on the divestment of an associate	10,796	0	0
	Finance income	334	1	404
	Finance costs	-1,066	-5,984	-6,580
	Profit/loss before tax	**2,399**	**-20,482**	**-30,980**
	Tax on profit/loss	1,250	1,063	590
	Net profit/loss	**3,649**	**-19,419**	**-30,390**
	Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):			
	Exchange differences on translation of foreign operations	25	-60	-111
	Other comprehensive income, net of tax	**25**	**-60**	**-111**
	Total comprehensive income	**3,674**	**-19,479**	**-30,501**
	Net profit/loss and total comprehensive income are attributable to owners of the parent			
	Earnings per share			
5	Earnings per share (in DKK)	0.15	-0.82	-1.27
5	Diluted earnings per share (in DKK)	0.13	-0.82	-1.27

Consolidated balance sheet

ASSETS

Note		30/06/2018 DKK '000	30/06/2017 DKK '000	31/12/2017 DKK '000
	Plant and machinery	108	162	135
	Investment in associates	0	5,968	3,416
	Warrants in associates	0	4,197	1,008
	Other investments	324	10	324
	Total non-current assets	**432**	**10,337**	**4,883**
	Inventories	805	0	1,048
	Receivables from associates	327	4,065	2,249
	Trade receivables	0	312	281
	Income tax receivable	1,861	3,639	680
	Other receivables	8,904	968	518
	Prepayments	6,142	0	0
	Cash and cash equivalents	2,385	1,920	3,326
	Total current assets	**20,424**	**10,904**	**8,102**
	Total assets	**20,856**	**21,241**	**12,985**

EQUITY AND LIABILITIES

	Share capital	1,232	1,181	1,215
	Share premium	45,384	38,155	45,224
	Retained earnings	-39,365	-34,398	-43,916
	Currency translation reserve	-53	-27	-78
	Equity attributable to the owners of OV A/S	**7,198**	**4,911**	**2,445**
	Payables to associates	552	2,835	421
	Trade payables	7,721	846	2,510
	Other payables	421	1,336	412
	Deferred income	4,964	11,313	7,197
	Total current liabilities	**13,658**	**16,330**	**10,540**
	Total liabilities	**13,658**	**16,330**	**10,540**
	Total equity and liabilities	**20,856**	**21,241**	**12,985**

Consolidated statement of changes in equity

Amounts in DKK '000	Share capital	Share premium	Retained earnings	Foreign currency translation reserve	Attributable to the owners of OV A/S
Statement of changes in equity 01/01/2018 – 30/06/2018					
Equity as at 01/01/2018	1,215	45,224	-43,916	-78	2,445
Profit for the period	0	0	3,649	0	3,649
Other comprehensive income	0	0	0	25	25
Total comprehensive income	0	0	3,649	25	3,674
Transactions with shareholders:					
Cash capital increase (exercise of warrants)	17	160	0	0	177
Costs of capital increase	0	0	0	0	0
Share-based payments	0	0	902	0	902
Equity as at 30/06/2018	1,232	45,384	-39,365	-53	7,198
Statement of changes in equity 01/01/2017 – 30/06/2017					
Equity as at 01/01/2017	1,168	38,091	-27,984	33	11,308
Loss for the period	0	0	-19,419	0	-19,419
Other comprehensive income	0	0	0	-60	-60
Total comprehensive income	0	0	-19,419	-60	-19,479
Transactions with shareholders:					
Cash capital increase (exercise of warrants)	13	64	0	0	77
Costs of capital increase	0	0	0	0	0
Share-based payments	0	0	13,005	0	13,005
Equity as at 30/06/2017	1,181	38,155	-34,398	-27	4,911

Consolidated cash flow statement

Note		H1 2018 DKK '000	H1 2017 DKK '000	Year 2017 DKK '000
	Profit/loss before tax	**2,399**	**-20,482**	**-30,980**
7	Adjustment for non-cash items	-8,584	-576	6,281
	Financial income, reversed	-334	-1	-404
	Financial expenses, reversed	1,066	5,984	6,580
8	Change in working capital	-1,780	12,451	7,731
	Cash flows from operating activities before net financials	**-7,233**	**-2,624**	**-10,792**
	Financial income received	334	1	90
	Financial expenses paid	-58	-117	-170
	Income tax received	69	51	2,527
	Cash flows from operating activities	**-6,888**	**-2,689**	**-8,345**
	Purchase of investments in associates	0	-784	-784
	Sale of investment in associate	5,745	0	0
	Purchase of other investments	0	-10	-10
	Cash flows from investing activities	**5,745**	**-794**	**-794**
	Cash capital increase	177	77	7,478
	Transaction cost, cash capital increase	0	0	-298
	Cash flows from financing activities	**177**	**77**	**7,180**
	Total cash flows for the period	**-966**	**-3,406**	**-1,959**
	Cash, beginning of period	3,326	5,488	5,488
	Net foreign exchange difference	25	-162	-203
	Cash, end of period	**2,385**	**1,920**	**3,326**

Parent company income statement

Note		H1 2018 DKK '000	H1 2017 DKK '000	Year 2017 DKK '000
4	**Revenue**	**1,596**	**3,089**	**5,145**
	Other operating income	1,735	2,028	2,619
	Other external expenses	-7,304	-6.482	-14,442
	Staff expenses	-1,511	-1,423	-2,356
	Loss before depreciation, amortization and impairment (EBITDA)	**-5,484**	**-2,788**	**-9,034**
	Depreciation, amortization and impairment of intangible assets and property, plant and equipment	-335	-239	-670
	Operating loss before net financials	**-5,819**	**-3,027**	**-9,704**
	Financial income	334	1	404
	Financial expenses	-2,365	-4,060	-6,580
	Loss before tax	**-7,850**	**-7,086**	**-15,880**
	Tax on loss	1,250	1,112	595
	Net loss	**-6,600**	**-5,974**	**-15,285**

Parent company balance sheet

ASSETS

Note		30/06/2018 DKK '000	30/06/2017 DKK '000	31/12/2017 DKK '000
	Development projects	1,541	3,198	1,646
	Acquired patents	946	0	1,149
	Intangible assets	**2,487**	**3,198**	**2,795**
	Plant and machinery	108	162	135
	Property, plant and equipment	**108**	**162**	**135**
	Investment in subsidiaries	6	6	6
	Investment in associates	0	26,862	14,229
	Warrants in associates	0	4,197	1,008
	Other investments	324	10	324
	Fixed assets investments	**330**	**31,075**	**15,567**
	Fixed assets	**2,925**	**34,435**	**18,497**
	Inventories	**805**	**0**	**1,048**
	Receivables from subsidiaries	26	142	0
	Receivables from associates	190	3,732	1,918
	Trade receivables	0	312	281
	Income tax receivable	1,845	3,639	595
	Other receivables	8,904	968	518
	Prepayments	6,142	0	0
	Receivables	**17,107**	**8,793**	**3,312**
	Cash and cash equivalents	**1,605**	**1,400**	**2,977**
	Current assets	**19,517**	**10,193**	**7,337**
	Total assets	**22,442**	**44,628**	**25,834**

Parent company balance sheet

EQUITY AND LIABILITIES

Note		30/06/2018 DKK '000	30/06/2017 DKK '000	31/12/2017 DKK '000
	Share capital	1,232	1,181	1,215
	Share premium	45,384	38,155	45,224
	Revaluation reserve	0	21,260	10,550
	Retained earnings	-38,451	-33,090	-42,401
	Total equity	**8,165**	**27,506**	**14,588**
	Payables to subsidiaries	0	0	77
	Payables to associates	552	2,835	421
	Trade payables	7,702	820	2,498
	Other payables	409	1,325	403
	Deferred income	5,614	12,142	7,847
	Total short-term debt	**14,277**	**17,122**	**11,246**
	Total debt	**14,277**	**17,122**	**11,246**
	Total equity and liabilities	**22,442**	**44,628**	**25,834**

Parent company statement of changes in equity

Amounts in DKK '000	Share capital	Share premium	Revaluation reserve	Retained earnings	Total equity
Statement of changes in equity 01/01/2017 – 30/06/2017					
Equity as at 01/01/2017	1,168	38,091	36,391	-27,116	48,534
Cash capital increase (exercise of warrants)	13	64	0	0	77
Revaluation of the year	0	0	-15,131	0	-15,131
Loss for the year	0	0	0	-5,974	-5,974
Equity as at 30/06/2017	1,181	38,155	21,260	-33,090	27,506
Statement of changes in equity 01/01/2018 – 30/06/2018					
Equity as at 01/01/2018	1,215	45,224	10,550	-42,401	14,588
Cash capital increase (exercise of warrants)	17	160	0	0	177
Reverse	0	0	-10,550	10,550	0
Loss for the year	0	0	0	-6,600	-6,600
Equity as at 30/06/2018	1,232	45,384	0	-38,451	8,165

1. Accounting policies

Basis of preparation

This interim report comprises financial information about the Group and the parent company.

The interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The parent company financial statements have been prepared in accordance with the Danish Financial Statements Act.

The interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual report as at 31 December 2017.

First interim consolidated financial statements in accordance with IFRS

The consolidated financial statements for 2017 was the first consolidated financial statements to be prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, as the parent company previously only prepared separate financial statements according to the provisions of the Danish Financial Statements Act. Due to the fact that interim consolidated financial statements have not previously been prepared, this is the first interim IFRS financial statements, but not a transition from previous GAAP to IFRS. Hence, the interim consolidated financial statements do not include reconciliations from previous GAAP to IFRS.

Changes in accounting policies

Effective January 1, 2018 The Group has adopted the following new relevant standards and interpretations:

- IFRS 9 Financial instruments
- IFRS 15 Revenue from contracts with customers (the modified retrospective method)
- IFRS 2 Classification and Measurements of Share Based Payment Transactions – Amendments to IFRS 2
- Improvements to International Financial Reporting Standards – 2014-2016 cycle (issued in December 2016)

None of the above standards has affected recognition and measurement and has only lead to further disclosures.

Alternative performance measures (APMs)

The Interim report refers to certain key performance indicators, which Oncology Venture A/S and others use when evaluating the performance of Oncology Venture A/S. These are referred to as alternative performance measures (APMs) and are not defined under IFRS. The figures give management and investors important information to enable them to fully analyze the Oncology Venture business and trends. The APMs are not meant to replace but to complement the performance measures defined under IFRS.

2. Significant accounting estimates and assessments

In connection with the preparation of the Interim report, the management makes a number of accounting estimates and assessments that affect the recognised values of assets, liabilities, income, expenses and cash flows as well as their presentation.

The significant accounting estimates and assessments applied in this Interim report are the same as disclosed in note 2 in the annual report for 2017, which contains a full description of significant accounting estimates and assessments.

3. Segment information

Oncology Venture A/S is still at an early commercial phase with a limited revenue generating activities. Accordingly, Oncology Venture A/S only has one operating segment, which is also the only reportable segment. Information on profit/loss and total assets for the segment can be found in the consolidated income statement and the consolidated statement of financial position.

4. Revenue

	H1 2018 DKK '000	H1 2017 DKK '000
In accordance with IFRS 15 disclosure requirements, total revenue for 1H 2018 is split as follows:		
Rendering of services	1,596	3,060
Total	1,596	3,060

	H1 2018	H1 2017

5. Earnings per share

Earnings per share (basic)

Profit/loss for the period attributable to the owners of the parent company (in DKK '000)	3,649	-19,419
Average number of shares in circulation	24,441,666	23,574,923
Earnings per share (in DKK)	0.15	-0.82

Diluted earnings per share

Diluted average number of shares in circulation	27,790,706	23,574,923
Diluted earnings per share (in DKK)	0.13	-0.82

No dilution in H1 2017 since the warrants are anti-dilutive.

6. Commitments and contingencies

There have been no changes in the commitments and contingencies as described in note 18 to the annual report 2017.

	H1 2018 DKK '000	H1 2017 DKK '000

7. Adjustment for non-cash items

Depreciation, amortization and impairment losses	27	27
Share-based payment expenses	902	13,005
Share of profit of an associate	1.283	1,747
Dilution gain of an associate	0	-3,190
Received warrants in an associate	0	-12,165
Gain on the divestment of an associate	-10,796	0
Total	-8,584	-576

8. Change in working capital

Change in inventories	243	663
Change in trade receivables	281	0
Change in receivable from associates	1,922	-439
Change in other receivables	-1,202	122
Change in prepayments	-6,142	0
Change in trade payables	5,211	-720
Change in payables to associates	131	1,552
Change in other payables	9	1,135
Change in deferred income	-2,233	10,138
Total	-1,780	12,451

9. Related parties

Transactions with related parties

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period.

Amounts in DKK '000		Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Associate:					
Services provided	H1 2018		563		552
	H1 2017		986		2,835
Rendering of services	H1 2018	1,756		327	
	H1 2017	3,789		4,065	
License agreement *)	H1 2017	9,519			
Other related parties:					
Services provided	H1 2018		898		38
	H1 2017		928		0

**) License agreement with associate*

Please refer to note 23 in the annual report for 2017, which contains a full description of the license agreement with associate.

10. Events occurring after end of interim period

Apart from the merger mentioned below, no important events have occurred after end of interim period.

Business Combination

On May 30, 2018, an extraordinary general meeting approved the merger with Oncology Venture Sweden AB, in which Oncology Venture A/S (formerly Medical Prognosis Institute A/S), the acquirer, obtains control of Oncology Venture Sweden AB, the acquiree.

The acquisition date was August 21, 2018, where the Group obtained control of 100% shares and voting interests of Oncology Venture Sweden AB, a company based in Sweden, listed on AktieTorget, Stockholm, Sweden and specializing in the research and development of anti-cancer drugs via its wholly owned Danish subsidiary, Oncology Venture ApS. Oncology Venture Sweden AB and its subsidiaries will be recognised in the consolidated financial statements as from the acquisition date.

10. Events occurring after end of interim period - continued -

The purpose of the Merger is to create a new leader within hard to treat oncological diseases with a strong late-stage and diversified pipeline, which includes own Companion Diagnostic Drug Response Predictor - DRP®, addressing significant unmet medical needs.

Identifiable assets acquired and liabilities assumed
The acquisition date is August 21, 2018, and therefor management has not yet been able to prepare a purchase price allocation with the fair values of the identifiable assets and liabilities of Oncology Venture Sweden AB. The purchase price allocation will be disclosed in future financial statements.

Consideration transferred
The consideration transferred to the shareholders of Oncology Venture Sweden AB, consist 25.623.723 new ordinary shares of nominal DKK 0.05, which will be issued by Oncology Venture A/S (formerly Medical Prognosis Institute A/S).

The fair value of the consideration of 25.623.723 new shares amounts to DKK 174,241k based on the stock price of DKK 6,8 per share (SEK 9.74) on August 21, 2018.